

NEW YORK TIMES
16 September 1951**ITALIAN REDS SAID
TO BLEED INDUSTRY****Senator Ferguson States Key
Business Men Are Paying
Tribute to Communists**

WASHINGTON, Sept. 15—Senator Homer Ferguson, Republican of Michigan, charged this week that certain key industries in Italy were paying tribute to the Communist party to operate. Back from a European inspection trip, the Michigan Senator declared that he had been "shocked" to find that "certain key Italian industries were actually helping the Communists."

He said that the Communists were resorting to the old Hitler technique of extortion in Italy, and getting financial support from those people who should regard the Reds as their worst enemies.

"In some cases, these industries have actually been taken over by the Reds," Senator Ferguson declared.

The Senator said that he had obtained this information from an impeccable source, whom he characterized as one of the world's great men, and had checked it personally with United States Embassy officials.

"The embassy confirmed what I had been told," he said. "What it amounts to is that the Communists are exacting subsidies from the nation's industrialists."

Senator Ferguson said that the payments to the Communists apparently were made in cash, though the exact procedure on how this is done was being checked for him.

"I have asked our Central Intelligence Agency to get more information for me on how this is done, how much cash is changing hands and what industries are involved," he said in an interview.

Senator Ferguson, a ranking Republican member of the Senate Military Appropriations subcommittee, said he thought that Congress should step in and do something about this situation.

"One approach is to tighten up on the uses to which American foreign aid funds and shipments are put," he said.

The Michigan lawmaker said that he was disheartened by the lack of anti-Communist leadership in Europe, and distressed to find that in Italy the Communists exercised far more potent leadership than the democratic parties.

"We have got to stiffen the backbone of the free European leaders. Communism is by no means defeated. It is strong and viable, and has real leadership," he asserted.

The Senator added that he also had been disheartened to find that the European practice of tax evasion was as flagrant as everywhere on the Continent of Western Europe.

knowledge that those who should pay don't," he said. "Europeans with wealth nowhere pay in proportion to the money they accumulate. This is true in Italy, Greece, Belgium, and the other nations we are helping."